DEPARTMENT OF TOURISM AND CULTURE

2010-2011 ANNUAL REPORT

Prince Edward Island
CANADA

Tourism and Culture

Prince Edward Island
Department of Tourism and Culture

Annual Report
2010-2011

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Minister's Message

The Honourable Barbara A. Hagerman
Lieutenant Governor of Prince Edward Island

May It Please Your Honour:

I have the honour to submit herein the annual report for the activities of the Department of Tourism and Culture for the period April 1, 2010, to March 31, 2011.

The Department of Tourism and Culture was established in January 2010 after government added the cultural division to the Department. 2010-2011 was the first full year for the newly restructured Department.

The Department continues to work diligently to maintain Prince Edward Island's reputation as a top vacation destination while preserving our history and fostering our culture.

Respectfully submitted,

Robert Vessey

Robert Vessey
Minister of Tourism and Culture

Deputy Minister's Message

The Honourable Robert Vessey
Minister of Tourism and Culture
PO Box 2000
Charlottetown, PE C1A 7N8

Honourable Minister:

It is my pleasure to present the annual report of the Department of Tourism and Culture for the period April 1, 2010, to March 31, 2011.

2010 was an exciting year for the Department. Live! With Regis and Kelly marked the single biggest broadcast integration opportunity ever pursued by the Department's marketing division. Thousands of visitors came to the Island for the event and the province was front and centre on one of the biggest morning television programs in North America. The province saw a 5% increase in visitation compared to 2009 and saw increases in both ferry and air traffic.

It was also the first full year the Culture division was a part of the Department. The division became part of the Department in early 2010.

The Department continues to promote Prince Edward Island as a top tourism destination and we continue to work with industry to develop the product that entices visitors to our province.

We look forward to continued success in the industry.

Yours Truly,

Melissa MacEachern

Melissa MacEachern
Deputy Minister

Departmental Snapshot

There were 1,308,812 visitors to PEI in 2010. This is a 5.4 per cent increase over 2009.

Overnight stays increased by 1.5 per cent, rising to 800,812 overnight stays for 2010. Campground stays were up 2.7 per cent, while fixed roof room nights were up one per cent.

During 2010 year, airport and ferry traffic increased, while bridge traffic decreased by 0.4 per cent. Cruise ship passenger and crew visits also increased by 7.2 per cent.

In addition, 131,486 English visitor information kits were mailed out, along with 31,372 French kits.

In 2010, meetings, conventions, and incentive travel (MCIT) made a significant impact on tourism in PEI. For the 2010 fiscal year there were 120 meetings, bringing in 12,061 delegates. Meetings and Conventions sector injected $13.6 million into our economy.

During the 2010 season there were 38000 non member rounds played at the five provincial golf courses.

Campground visitations remained strong with a total of 36,582 sites sold, which represents an 11% increase from 2009. All Provincial Park campgrounds experienced increased visitation with the exception of Mill River Provincial Park which saw a 1.6% reduction in sites sold

The Public Library Service launched an Island wide literacy initiative, One Book One Island, which encouraged Islanders to read the book "Still Life" by author Louise Penny. This highly successful initiative included author visits, programs and book clubs.

The Provincial Heritage Fair was held at the Confederation Centre of the Arts on 14 May 2010, with 220 students representing 32 schools as well as 1 home school association and more than 150 volunteers participating. Close to 2,200 students participated in school based heritage fairs leading up to the Provincial Fair.

Departmental Overview

The Culture, Heritage and Libraries Division provides leadership, programs and services to the residents of Prince Edward Island in the areas of recorded information management, library services, historic preservation and documentation, and cultural development. The division also provides liaison between the Government of Prince Edward Island and organizations which are representative of these sectors.

The Corporate Services Division of the Department of Tourism and Culture is responsible for general administration, financial services, human resources, records management, insurance matters, FOIPP, Provincial Parks and Provincial Golf Operations.

The Strategy, Evaluation and Industry Investment Division (SEII) is responsible for regional tourism development and investment, the development and implementation of industry support programs, managing the regulatory affairs pursuant to the Tourism Industry Act (license, occupancy report, water testing) and the Highway Signage Act (Tourism Directional Signage, Special Event Signage and On-Premise Signage). SEII is also the lead liaison on intergovernmental affairs including an advocacy role to represent the interests of the tourism industry in key policy areas such as improved air access, Atlantic Gateway Initiative, labour and immigration issues, and land use matters.

The Marketing Communications Division aggressively markets and promotes Prince Edward Island as a premier vacation destination and ensures quality services for the tourism industry of Prince Edward Island.

The Sales and CRM team is responsible for customer service, retention and loyalty. Customer service centres include the provincially run Visitor Information and Call Centres. The division is also the lead for the implementation of the ITS (Integrated Tourism Solution Technology) and the Central Reservation System.

Corporate Management consists of the Office of the Minister and Deputy Minister providing leadership, overall management, administration, and communication for the department.

Prince Edward Island Tourism Advisory Council (TAC)

The PEI Tourism Advisory Council (TAC) is an industry advisory board to the Minister of Tourism and Culture. TAC is made up of a board of 18 members, as well as ad-hoc task forces and committees struck from time to time to address particular issues or opportunities. At the council level, there are 14 industry stakeholders and four senior provincial and federal government members involved in TAC was appointed in December of 2004, as the result of a collaborative effort of industry, provincial and federal government leaders meeting to discuss challenges within the tourism industry in Prince Edward Island.

The concept of public and private sector working together is well established in other jurisdictions. In many cases it has proved successful, with private sector partners playing an integral role in raising the profile of tourism as an economic generator and securing additional investment for tourism programming.

TAC's role is simple - to advise the Minister of Tourism and Culture on marketing, product development and research initiatives, with the sole outcome of increasing tourism revenues for the province.

TAC's product investment strategy advises that investments must be strategic and integrated across all research and marketing, and investments must support the vertical markets that hold the highest possible return on investment.

Key product verticals include culinary tourism, culture (especially mobilizing further on the Anne 2008 event) and golf.

Investment Funding Programs available to non- profit tourism partners are as follows: Innovation Fund, Regional Product Development Fund, Regional Foundation Fund, Community Festivals and Events Assistance Program, PEI Acadian Francophone Tourism Services Fund, Meetings and Conventions Hosting Program, Reunion Program, and the Tourism Website French Translation Program.

TAC will continue its commitment to the Tourism Research Centre at UPEI focusing on new research initiatives which will include an Outlook Model for Forecasting, Exit Survey Data and Sub-Profiles, Environics Profiling, and an Operator Panel.

Marketing areas of focus will include golf, culinary, Quebec, and 'out of the box' marketing techniques. Investments are recommended in Ontario, Quebec, Nova Scotia, New Brunswick and New England, as well as efforts should be made at maintaining major markets in Montreal and Toronto.

Attempts will be made to define the brand essence as Island, people, and emotional effects of revival, renewal, restoration

Conventions Hosting Program, Reunion Program, and the Tourism Website French Translation Program.

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Division Activities

Strategy, Evaluation, and Industry Investment

The Strategy, Evaluation and Industry Investment Division is responsible for regional tourism development and investment, the development and implementation of industry support programs, managing the regulatory affairs of the *Tourism Industry Act* and the *Highway Signage Act*.

The division works actively with the Tourism Advisory Council and industry stakeholders in conducting research projects on consumer demand and new product development opportunities. The division also works with the Tourism Research Centre to increase the research capacity of the province and assist with the transfer of knowledge to industry partners.

Evaluation, Measurement and Business Intelligence Unit

This unit is responsible for the on-going monitoring of the department's objectives and strategies including: establishing corporate performance measurement tools; working with the department's senior management team to integrate performance management principles into program activity; and coordinating corporate performance activity. The unit has overall responsibility for overseeing the development of evaluation frameworks and the identification of evaluation metrics.

Product Development, Investment, and Regulatory Affairs

Product Development, Investment and Regulatory Affairs is responsible for:

- The management of opportunities to grow current businesses and attract new tourism development and investment opportunities.
- The professional development of industry partners and operators through the provision and support of training initiatives to ensure the tourism industry on PEI is competitive in the global marketplace.
- All regulatory functions administered under the authority of the *Tourism Industry Act* and Regulations and the *Highway Signage Act* and Regulations.
- Ensuring that all tourism operators are in compliance with industry standards as prescribed by legislation and regulations.

- Overseeing the investigation of quality standard issues and maintain a close relationship with industry organizations involved with standards. The unit oversees the contract with Quality Tourism Services (QTS). On behalf of the Department, QTS is contracted to perform the inspections required for the licensing of tourist accommodations.
- This division also manages contracts with Golf PEI, and the Meetings and Conventions sector.

This unit is also responsible for the development and implementation of programs designed to support the expansion of the tourism industry through development of new and enhanced "product offerings" including, but not limited to, key vertical markets such as golf, culinary and culture.

This division was responsible for the following funds in 2010-11:

- ***The Regional Foundation Fund***
- ***The Regional Product Development Fund***
- ***The Tourism Innovation Fund***
- ***The Prince Edward Island Acadian and Francophone Tourism Development Program***
- ***Programme de développent touristique Acadien et Francophone de L'Île-du-Prince-Édouard***
- ***The Festivals and Events Assistance Program***
- ***The Meetings and Conferences Hosting Grant Program***
- ***The Tourism Website French Translation Program***
- ***The Reunion Assistance Program***

In 2010-11 government invested in the Cavendish Beach Music Festival held July 8-11, 2010 featuring Keith Urban and Taylor Swift.

The other major investments were made in extending the fall season with the presentation of Riverdance at the Confederation Centre of the Arts, an increased investment in the Gold Cup and Saucer Parade to celebrate its 50th anniversary as well as an investment in the 30th anniversary Terry Fox Run across the Confederation Bridge.

Industry Standards

The quality of Prince Edward Island's products and services is essential to the long-term health of the tourism industry.

The *Tourism Industry Act* sets out the operating standards for Prince Edward Island tourism accommodation operators. On an annual basis, every accommodation operator must pass inspection. They must also have their water tested quarterly, submit monthly occupancy reports, and pay their annual license fee, in order to ensure that the property complies with the licensing standards set out in the Act.

Tourism PEI contracts Quality Tourism Services (QTS) to inspect and provide water testing to all properties. QTS has as strong working relationship with Tourism PEI, and they

employ professionally trained inspectors who are knowledgeable in the requirements of the Act.

Tourism PEI's compliance section supports licensed industry operators by enforcing the Act and works to bring unlicensed operators into the industry. Tourism PEI works closely with industry partners such as the Tourism Industry Association of Prince Edward Island (TIAPEI), Quality Tourism Services (QTS), to maintain the quality and standards that are critical to success. It is this team approach that ensures visitors enjoy the best possible vacation, based on quality services and memorable experiences.

Tourism PEI continues to strive toward increasing accessibility for the French-speaking public in order to comply with the Canada-PEI Agreement on French Language Services. Tourism PEI provides reception services in both official languages and several staff are fluent in French or are taking French language training. Once again, in 2010 the Genuine Island Experiences packaging brochure was available in French. This joins the Island Guide and a number of other publications which are translated into French as stand-alone pieces.

Visitor Information and Destination Centres provide services to the traveling public and are mandated to have bilingual staff available. The Centres have been in compliance for many years and continue to improve the level of service with each passing year. In all other venues of Tourism PEI's service to the public, every effort is made to ensure that there is service provided in French by front-line staff.

Under the terms of the Canada-PEI Agreement on French Language Services, the Association touristique Evangeline au service des Acadiens et Francophones de l'Ile-du-Prince-Edouard received funding for its operations. This association brings together Acadian and Francophone tourism operators from across the province to better promote the Acadian and Francophone tourism product and the association works to present a united voice to government.

Fall Flavours

In 2010 the Fall Flavours culinary festival was expanded to cover the whole month of September to grow tourism in the fall shoulder season. The festival occurred from Sept. 23 to Sept. 30, 2010, and featured over 150 different culinary experiences, including signature events, culinary events, tasting events, hands on experiences, farm to gate and dining events. Signature events featured Chef Michael Smith and highlighted food experiences across the Island. All Flavours provides unique local culinary experiences opportunity during Prince Edward Island's peak harvest season, which interests our target markets. Eighteen restaurants participated in the Dining program, creating special menus featuring Island product.

Marketing Communications

The overall mandate of the Marketing Communications Division is to promote Prince Edward Island as a premiere vacation destination in our target markets. The division is responsible for the publication and distribution of provincial tourism literature, travel industry sales, publicity, advertising, and promotions.

Tourism PEI is a partner in the Atlantic Canada Tourism Partnership (ACTP) which merges two levels of government and the region's private industry. The partnership allows the province to reach strategic markets in the United States, Europe, and Japan.

The Atlantic Canada Opportunities Agency (ACOA) and Tourism Atlantic also provide funds for special marketing programs. In addition, Tourism PEI actively pursues partnership opportunities with the Canadian Tourism Commission (CTC) and others, in joint-venture initiatives.

The Marketing Communications Division also works closely with the Tourism Advisory Council (TAC). Marketing strategies and programs will continue to be reviewed by TAC. The Department of Tourism and Culture is represented on TAC by the Deputy Minister. The Director of Marketing Communications and the Director of Strategy, Evaluation and Industry Investment also attend TAC meetings. TAC provides sound advice to the Minister, and the Department on research, product development and marketing strategies

Advertising and Publicity

A fairly significant change in Tourism PEI's advertising campaign took place in 2010. For the first time, traditional television commercials were produced for distribution to French networks only. With decreasing budgets and a change in how consumers are viewing television (PVR and internet), a decision was made to focus television advertising efforts in the Quebec market. It is easier to reach the Quebec market through this channel because of limited French networks and they have higher television consumption than the rest of the country.

Thirty-second spots were produced in English for airing on Air Canada on-board televisions. In keeping with fully integrated campaigns, print, radio and a stronger focus on online advertising were part of the 2010 execution.

As part of the new direction, a stronger emphasis was made on the integration of the Prince Edward Island messaging into television shows. When promoted as part of a television show enjoyed by viewers, the messaging becomes stronger and more apt to be seen.

Many examples of broadcast integration took place in 2010 through our media relations activities, but none drew more attention than the huge success of the filming of 4 episodes of ***Live! with Regis and Kelly.***

The total cost to bring the show to Prince Edward Island was almost one million dollars. A survey conducted on site showed that over 2/3 of the people who came to the Island to see the show were visitors from out of province.

The show brought unprecedented media exposure to Prince Edward Island as a vacation destination. Using the average $60,000 cost of television spots typically sold during the show, the amount of airtime Prince Edward Island received during the four days is conservatively estimated at $13.1M. Further to this amount, an independent media monitoring company, Media monitoring showed 2279 articles with over of 3.4 billion impressions and an estimated value of $9.475M, bringing the total media exposure value to $22M.

Web traffic during the airing of the show was at a record high and even brought the Tourism PEI website down for a short period. ***Prince Edward Island*** became the 2nd highest Google search term during airing and social media sites were also abuzz with chatter of the show's airing on the Island.

The Big Break Prince Edward Island had been filmed in 2009. To leverage the exposure this show brought to the golf product of the Island, a partnership with the Golf Channel was formed. Promotion of Prince Edward Island as a golf destination was aired during ***Live from the Masters, Live from the Player's Championship, Live from the US Open*** and ***Live from LPGA Tour***. There was also a re-broadcast of ***Legends of Golf***.

Co-op advertising includes a matching of private and public sector funds for marketing purposes. In addition to purchasing listings and display space in Tourism PEI publications, co-op advertising takes place in the form of packages or special offers from local business, and may be placed in publications or on websites such as CAA/AAA, trip advisor, or regional newspapers. These advertising opportunities are sold to the PEI tourism industry by a local company sub-contracted by the account management agency.

The second annual Cavendish Beach Music Festival drew visitors and media attention to the Island. The star-studded lineup included multi-Grammy winner Taylor Swift, Keith Urban, Lady Antebellum, Little Big Town and more. As a signature event supported by Tourism Prince Edward Island, our marketing campaign served to enhance advertising done by the organizing group. Tourism PEI marketing also created ads specific to Fall Flavours.

The PEI Culinary Alliance initiatives played a big role in the promotion of Prince Edward Island as a culinary destination. Initiatives through the Alliance include the Culinary Trail, a handbook of all Prince Edward Island culinary offerings, a culinary website to integrate all food experiences content, and participation in food shows including the Boston Seafood Show, and the NYC Food and Wine Show.

Marketing will continue including targeted initiatives for the golf market, and proactive public relations and media relations activities. There will be a greater focus on social media and the internet, and less focus on television advertising. Marketing messages will incorporate both experiential tourism, and festivals and events.

Fulfillment

A total of 115,307 Visitor Guides were mailed out, of which 26,246 were French guides.

From April 1 2010 to April 1 2011, there were 1,980,675 visits to the website, with an average of 5.7 pages viewed per visit.

- Visitors spent an average of 5.1 minutes on the site.
- Nearly 55 per cent of visitors came through search engines, mostly through Google.
- 9 per cent of visitors came directly to the website, likely as a result of seeing the URL advertised.
- 89,910 visitors requested a visitor's guide through the website.

- 3410 signed up for a newsletter.
- Visitors to the website were mostly Canadian, with 415,799 American visits, 12,256 Japanese visits, and 90,839 visits from Europe.

Trade and Sales

The Trade and Sales section is responsible for generating sales of Prince Edward Island's vacation products through trade and consumer channels.

Trade and Sales staff work with tour operators, motor-coach companies, cruise lines, auto clubs, and travel agents. Also, in conjunction with industry partners, Trade and Sales represents the province at marketplaces, sales missions, and consumer shows.

The section focuses primarily on North America, Japan, United Kingdom, and Germany.

During the 2010-2011 fiscal year, the Trade and Sales section participated in the following activities:

- Motorcoach Marketplaces:
- National Tour Association (NTA)
- American Bus Association (ABA)
- International Marketplaces
- Rendezvous Canada (RVC)
- World Travel Mart (WTM)
- ITB-Berlin

Trade and Sales Staff also participate in consumer travel shows in Montreal, Toronto, Ottawa, Quebec City, Boston, Foxboro, New York City and Halifax.

Trade and Sales staff, in conjunction with other Tourism Trade Staff from Atlantic Canada, provided educational training sessions to staff including Travel Impressions, selected

Travel agents from NYC area and AAA staff at various locations in New England.

During this time period, the Trade and Sales staff highlighted additional cruise line arrivals, direct air flights from New York, Culinary Trail and "Authentic PEI Experiences".

The Trade and Sales staff provide an ongoing connection between tourism operators on the Island and members of the travel trade that have clients visiting Prince Edward Island or are developing new initiatives to encourage and increase new visitors to Prince Edward Island.

In 2010-11, 44 cruise ships arrived in Prince Edward Island carrying 72,966 passengers and 30,191 crew.

There were six inaugural visits, which included:

- Silver Whisper with 382 passengers

- Celebrity Summit with 2100 passengers
- Crowne Princess with 3110 passengers
- MSC Poesia with 2550 passengers
- MSAmadea with 618 passengers

Meetings and Conventions and Employee Convention Hosting Opportunities (ECHO)

In 2010-2011, the Meetings and Convention Sector attracted 120 meetings/conventions that drew 12,061 delegates and generated an off island spend of $13.6 million dollars. This sector alone provided almost $14 million in new dollars to support the Island economy.

ECHO is a joint program with Tourism PEI, Tourism Charlottetown, and the PEI Meeting and Convention Partnership. The mandate of ECHO is to encourage provincial employees to invite meetings to Prince Edward Island. ECHO also assists with the organization of these meetings by utilizing the many resources for support such as those available through the PEI Convention Partnership and Tourism PEI.

Corporate Services

The Corporate Services Section of the Department of Tourism is responsible for general administration, financial services, human resources, records management, insurance matters, FOIPP, Provincial Parks and Provincial Golf Operations.

Provincial Parks and Confederation Trail

2010 was another successful year for the PEI Provincial Park system of campgrounds and day-use areas. Campground visitations remained strong with a total of 36,582 sites sold, representing an 11% increase from 2009. All Provincial Park campgrounds experienced increased visitation with the exception of Mill River Provincial Park which saw only a slight 1.6% reduction in sites sold. As a direct result of the new 3way sites which opened for the summer of 2010, Jacques Cartier experienced a 27.5% increase, the largest increase of any campground in the Provincial Park system. Although guests travel to our campgrounds from across North America and Europe, our largest off Island markets continue to be Quebec, Ontario and Atlantic Canada.

In a continuing effort to upgrade park infrastructure, a number of initiatives were undertaken in various campgrounds and day use parks across the province during the 2010/11 fiscal year. Most notable was the completion of new 3 way sites at Jacques Cartier Provincial Park. The sites were put in to service in the summer and resulted in a significant increase in campground visitation. Additional projects included electrical and road upgrades at Red Point Provincial Park, road upgrades and site improvements at Cabot Beach Provincial Park, road upgrades and site expansion at Cedar Dunes Provincial Park. Finally, Mill River Provincial Park saw upgrades to the parking pads for the 3way sites and a tree trimming project to open up the 3way area for increased air flow and sunlight.

Once again, Provincial Parks coordinated and delivered a variety of summer programs to park visitors including children's activities, nature and outdoor interpretative activities, sport activities and family activities. Parks were also pleased to provide life services on 8 provincial park beaches and at the swimming pool in Brudenell Provincial Park. Provincial Parks was pleased to once again operate Mill River Fun Park.

Brookvale Provincial Winter Activity Park continues to provide Islanders and visitors alike with an excellent winter venue to pursue alpine skiing, nordic skiing, snow shoeing and tobogganing. Prior to the 2011 ski season, staff at Brookvale relocated all rental lockers to a new building and renovated the lower level of the Alpine Lodge. These moves allowed Brookvale to increase the number of lockers available for rent while at the same time, providing a more inviting space for skiers and snowboarders to prepare for their day and/or night on the slopes. 2011 was the first full season of Brown's Volkswagen sponsorship of the Brookvale Snow School. Renamed the Brown's Volkswagen Snow School, this sponsorship concept provided Brown's Volkswagen with various sponsorship benefits including on-hill signage, lodge signage and exclusive naming rights. Finally, winter programming at Mill River Provincial Park had a successful 2011 season with increased visitation in both nordic skiers and snowshoeing.

As Program Managers of Confederation Trail, Provincial Parks maintains responsibility for advertising, development and partnerships relating to the Trail. In 2010-11 with the continuing support of the Tourism Industry Association of PEI (TIAPEI) and the Department of Transportation and Infrastructure Renewal (TIR), Provincial Parks was able to complete the installation of 220 interpretive panels along Confederation Trail explaining local flora, fauna as well as the Island's culture and heritage. Other work completed on the trail in the past fiscal year included the installation of two (2) additional trail side washroom facilities in the communities of Duvar and Darlington, community information signage, as well as a number of new shelters and benches along the Trail. Finally, Provincial Parks was once again very pleased to be able to provide funding to the Confederation Trail Officers Program. Coordinated by Island Trails, the Trail Officers Program has volunteers patrolling Confederation Trail with the ability to issue tickets to anyone who breaks the regulations outlined in the ***Trail Act***.

Provincial Golf Courses

Golf on PEI is considered one of the pillars of the Tourism industry and is therefore an important piece of its strategy.

This season there were 38000 non member rounds played at the five Provincial courses. This is 4665 rounds down from the 2009 season. Two possible reasons for this decrease are the new rate structure adopted for packagers this season and the closure of the Country Cabins at the Brudenell Resort.

In the 2010 season Golf Links PEI changed the packager rates from a standard 15% discount to a tiered system based on the amount of business done with the Provincial golf courses in the previous season. These rates ranged from a 0% discount to a 15% discount. This new rate structure was introduced to differentiate those businesses that had sales at the Provincial golf courses in the hundreds of thousands of dollars from those that might

send two golfers, yet both were receiving the same discount.

The Country Cabins at Brudenell did not open in the spring and the off-season round numbers reflected this closure.

Our non-packaged rates did not change in the 2010 season from 2009. We did however, change the rate seasons, the new off seasons are; opening to July 18 and September 27 to close, the peak season is July 19 to Sept 26. Junior membership rates did increase this season, $31 at Crowbush, $25 at Brudenell, and $24 at Mill River. This was the first increase in junior rates in many years; adult rates did not increase. A new membership category was created in 2010 called Introductory. This new category was meant to capture those people that were not joining our courses because of the cost and the fact that, due to work, etc., they could not play during the day. This membership cost between $350-$500 depending on the course and allowed people to play any day of the week after 4 p.m.

The Links at Crowbush Cove underwent positive capital improvements in 2010.

- Renovations to improve amenities, lighting and flooring were completed to the locker rooms and first floor washrooms.
- The first three greens were resodded to Penncross bent grass in the spring to repair the damage that was caused over the harsh winter of 2009.
- 65 new Club Car golf carts with GPS were purchased allowing us to increase the rental rate per rider by $2.
- All the bridges on the course were resurfaced with pressure treated lumber replacing the old surface which was becoming rotten and to the point of being unsafe.
- A new cart path was constructed to get golfers from the parking lot to the clubhouse. Previous to this golfers/guests had to walk or ride on the same road as incoming and outgoing traffic, which was unsafe.

Brudenell, Dundarave and the Divine 9 all opened in great shape thanks to the mild winter and early spring. Some of the highlights of the season were:

- A new bridge was constructed on number 10 at Brudenell to replace the old bridge that was damaged by ice over the winter. This new bridge was built to resist any ice that may flow over from the river during winter storms.
- The shore on holes #5 and #10 was reconstructed and protection was added for defense against shoreline erosion.
- The trencher we purchased in 2009 was put to good use as drainage work was completed on holes #6 and #12 at Brudenell and #11 at Dundarave. This made a noticeable difference to the playing surface on these holes.
- The large waste bunker on #13 at Dundarave that had been plaguing our maintenance staff was reconstructed. This new bunker resists washouts that occur when we have significant rainfall and frees up our crew to tend to more pressing matters.
- Anne Chouinard was hired on secondment from Holland College to be the Golf Shop Supervisor. Anne was a great addition to the team at Brudenell/Dundarave and is indeed an asset to that property.

- With the retirement of our longtime Superintendent at Brudenell, Dale Murchison, we blended the maintenance crew and machinery of Brudenell and Dundarave into one unit. Fred Forshner is now the Superintendent for all 45 holes on the property. This allows more flexibility of work tasks and machinery to take place.

Mill River opened the season earlier than it has ever opened before, April 30. The course was in great shape from the start thanks to the prep work that the superintendent, Blair Duggan, does in the fall to ready the greens for winter. Two course improvement capital projects were completed this season:

- A wooden retaining wall and bunker was built on the 18th hole to both remedy erosion and enhance the view from the resort. This work was completed by our maintenance crew and was praised by members and guests as a huge improvement.
- A new tee deck on the 14th hole was built. This elevated deck allows the player to get a better view of the landing area. While the work was being done another issue was dealt with. The tee deck area was widened by taking trees out that would cause a lack of sunlight, impeding the growth of grass on the tee and not allowing air circulation to occur.

Each of the Provincial golf courses was visited by a USGA Turf official in June. This visit was intended to grade Golf Links PEI on our maintenance practices and provide recommendations on how to improve the quality of the playing surfaces. This was a great learning opportunity for everyone that took part in the visit. We received a report on each course with recommendations on capital improvements, equipment needs, maintenance best practices, and comments on our current maintenance practices.

Golf Links PEI signed a three year contract with Nike Golf which makes Nike the major supplier of soft goods to our courses. For the duration of this contract Nike Golf will provide each course a fleet of rental clubs, preferred pricing on retail product, and assist in marketing efforts. Nike Golf is the leading supplier of golf related clothing and foot wear, this partnership will help ensure that the Provincial golf courses and golf shops continue to be regarded as some of the finest in the country.

Human Resources

The Human Resource section is responsible for providing leadership to the management team in all human resources areas including labor relations, classifications, performance management, recruitment, and training.

Permanent Positions

	Full-time	Part-time	Total
Corporate Management	4	0	4
Corporate Services	23	74	97
CRM/Sales	2	4	6
Marketing	16	0	16

	Full-time	Part-time	Total
Strategy, Evaluation & Industry Investment	11	0	11
Public Library Service	30	32	62
Museum & Heritage Foundation	12	5	17
Culture/Provincial Archives	12	1	13
Total Permanent Postions	**110**	**116**	**226**

Student and Casual Positions

	Total
Corporate Services	2
Brookvale	52
Provincial Golf Courses	89
Provincial Parks	206
CRM/Sales	38
Marketing	4
Stragegy, Evaluation & Industry Investment	2
Provincial Library Service	1
Culture/Provincial Archives	1
Museum and Heritage Foundation	48
Total Student and Casual Positions	**443**

Intern Positions:
Corporate Services: 2
Marketing: 4
CRM/Sales: 2
SEII: 3
Culture/Provincial Archives: 3
Total intern positions: 14

Financial Services and Office Administration

Financial Services is responsible for budgeting, forecasting, regular expenditure monitoring, and the day to day fiscal management of the Ministry.

Financial Services also manages invoicing, receivables, collections, payables, banking, taxes, procurement, and external audits.

Additional responsibilities include records management, *Freedom of Information and Protection of Privacy Act* compliance, contracts, insurance coordination, telecommunications, fleet management, and office administration.

Consumer Sales And Customer Relationship Management

The Sales and CRM team is responsible for customer service, retention and loyalty. Customer service centres include the provincially run Visitors Information and Call Centres. The division is also the lead for the implementation of the ITS (Integrated Tourism Solution Technology) and the Central Reservation System (BookPEI).

Visitor Information Centres (VIC)

The province operated five Visitor Information Centres at the following locations: Borden-Carleton, Wood Islands, Souris, West Prince, and the Charlottetown Airport. Borden-Carleton provided services to the travelling public throughout the entire year.

The Charlottetown, Cavendish, St. Peters and Summerside VICs operated as Destination Centres in partnership with the Province through the Destination Centre Agreement with their respective regional tourism associations.

Total travel parties counselled at all the Visitor Information Centres across the Island was 181,282, and the Charlottetown and Borden-Carleton VIC greeted the most visitors of all locations.

In 2010, Tourism PEI, in partnership with Tourism Nova Scotia, Island East and Northumberland Ferries Ltd, successfully operated a Visitor Information Centre on each of the two Northumberland ferries.

The Integrated Tourism Solution and Book PEI

The Integrated Tourism Solution (ITS) is an initiative to better connect customers and prospects with all the participating partners in the PEI tourism industry. The ITS has created the capability to offer inventory in one central booking system that can be accessed and used to book directly by all participating accommodation partners.

Book PEI is the Central Reservations System for Prince Edward Island. It allows us to sell P.E.I. tourism products anywhere, anytime, and through any channel, including the Tourism PEI Call Centre, the Provincial Visitor Information Centres, and the website.

BookPEI offers operators a property management system and advertising of room details and photos on the Tourism PEI website. Visitors can now book rooms and packages online, through the Tourism PEI website, travel agents, or participating industry websites.

In the past, online reservation systems were only viable for larger operations. With the launch of Book PEI in January 2009, Tourism PEI has made a considerable investment in a system that can be accessed directly by even the smallest participating partners.

Research has shown that visitors are looking for one-stop shopping when planning and booking their vacations. It was determined that the tourism industry on P.E.I. was losing business to its competitors whose direct-selling capability was becoming increasingly sophisticated. Through Book PEI, the P.E.I. tourism industry now offers the capability for vacation planners and visitors to plan and book their vacations online.

Running the Book PEI call centre through the Visitor Information Centres allows the province to deliver the booking service in-house, leveraging the skilled and knowledgeable VIC staff as the first contact for callers to the province. 2009 was the first year where the call centre operated not only as an information provider, but also as a full service vacation planning services with the resources to make reservations, book experiences, attractions, and tickets, and close the sale.

When Book PEI was launched, there was no charge for operators to use the system for two years. In 2009, extra incentives such as free photos for the online guide were also provided to operators, to encourage them to use the system. The development and implementation of the Book PEI system represents a large part of the $750,000 spent on the Integrated Technology Solution. In 2010-2011, a flat fee system was put into place which was designed to recuperate some of the costs of the system, mostly the cost to operate it in the future. The flat fees are $100 if the operator is licensed for 1-4 units or $150 if they are licensed for 5 or more units.

Culture, Heritage and Libraries

The Culture, Heritage and Libraries division is responsible for managing an operating the Public Archives and Records Office and the Public Library Service, as well as programs and services relating to arts and heritage. The following legislation is the responsibility of the division:

- *Archives and Records Act*
- *Fathers of Confederation Buildings Act*
- *Heritage Places Protection Act*
- *Lucy Maud Montgomery Foundation Act*
- *Museum Act*
- *Public Libraries Act*

Pursuant to legislation the following bodies and organizations provide a separate annual report to the Legislative Assembly and are not include in this report:

- Confederation Centre of the Arts
- Lucy Maud Montgomery Foundation
- PEI Museum and Heritage Foundation

Prince Edward Island Public Library Service

Library services on Prince Edward Island are provided through partnerships with communities under the terms of the Public Libraries Act. The Public Library Service (PLS) is responsible for the operation of the province-wide public library system and for the provision of technical support services for the public schools of the province. The legislation formalizes the partnership arrangements that have been the foundation of libraries since the establishment of the Prince Edward Island libraries in 1933.

The provincial government, through PLS, provides materials (including books, video and audio tapes, compact disks and other formats), branch library staff, management, planning, evaluation and technical services for the system. Communities have a role in delivering the service, which in most locations consists of providing and maintaining facilities where these libraries are housed, as well as the purchase and maintenance of library equipment such as shelving and seating.

The Public Library Headquarters, located in Morell, provides administration and technical services. This office manages the ordering, processing and cataloguing and distribution of materials for the public libraries and offers similar services to public schools in the province.

Services to the public are delivered through various locations. In Charlottetown, the Confederation Centre Public Library provides public services to the city and also serves as a central library resource for the province. Also in Charlottetown is the Government Services Library, a central government documents facility.

Public libraries are located in communities across Prince Edward Island: Alberton, Tignish, O'Leary, Tyne Valley, Abrams Village, Summerside, Kensington, Borden-Carleton, Kinkora, Crapaud, Breadalbane, Hunter River, Cornwall, Charlottetown, Stratford, Mount Stewart, Morell, St. Peter's Bay, Souris, Montague, Georgetown, Murray Harbour, and Murray River.

The Public Library Service offers resources in French in a number of locations. The school-housed public libraries at Abrams Village, the J. Henri Blanchard Library at the Centre Belle Alliance in Summerside and the Carrefour de l'Isle-Saint-Jean are French language libraries. French materials are also found at a number of other libraries in communities with French-speaking residents or French Immersion school programs.

Libraries provided community programs in both English and French to encourage reading family literacy, including baby lapsit, storytimes, author tours, family literacy day, summer reading club, puppet shows, and Canadian Children's Book Week.

Friends of the Library groups are active in many libraries of the Public Library Service. Friends are non-profit groups of community volunteers who value, support and champion the local public library. The Friends support library services and programs by raising funds and awareness of the library in local communities.

Public libraries are an essential part of communities across Prince Edward Island. 127,000 visitors enjoyed the services available through public libraries in 2010-2011. Every year libraries offer a variety of programs for entertainment and enrichment and lifelong learning. Literacy programs included English language training for newcomers, adult literacy tutoring, and summer tutoring for children. Literacy is also the focus of the annual TD summer reading program for children which registered 1,400 children and offered 450 summer programs to nearly 6,000 children and caregivers in 2011. Libraries host entertaining and enriching programs including book clubs, health and wellness seminars, Island history, crafts, gardening and much more. In 2010-2011 4,300 programs were held at libraries across the province with 45,000 people in attendance.

Highlights and new initiatives 2010-2011:

- Successful implementation of wireless service in all 26 libraries across the Island providing a high demand service to visitors and residents.
- Migrated to Symphony, a new and much improved automated library system.
- Launched TLC (the Literacy Connection) a literacy initiative serving preschool children via literacy based story times.
- In partnership with Health Canada and Société Santé en français, French Library Services received a $48,000 grant to purchase French language health materials and deliver health education workshops to the Francophone community.
- Library Skills Development Certificate training program offered a 3rd year of courses to all public service staff. This PLS-designed staff training program, to be completed over a four-year period, provides training by expert facilitators on various areas of library service.
- Launched an Island wide literacy initiative, One Book One Island, encouraging everyone to read the book "Still Life" by author Louise Penny. This highly successful initiative included author visits, programs and book clubs.
- Launched social media with introduction of Facebook and Twitter.
- E-branch services continued to grow in popularity with purchase of 3000 e-books and e- audiobooks available via the library website ***www.library.pe.ca***
- Librarian Gary Ramsay received the Nora Bateson Staff Award for Excellence in Library Service.
- Enhanced literacy services by expanding adult literacy and English as an additional language (EAL) collections. Continued a successful partnership with the Population Secretariat to provide EAL resources; translated the library membership guide to 5 top languages of newcomers; and acquired Chinese language materials.

Circulation of Library Materials Statistics, 2006-2011:

The Public Library Service had a total of 366,855 items available for borrowing in 2010-2011. During the same period, 24,705 new items were added to the collection.

Location	2010-2011	2009-2010	2008-2009	2007-2008	2006-2007
Rural Branches	330000	316000	284000	265000	274000
Summerside	106000	109000	107000	109000	111000
Charlottetown	269000	300000	318000	329000	341000
French Services	56000	61000	58000	61000	62000
Total (rounded)	788000	785000	767000	764000	787000
% change	+0.4%	0.023	+0.4%	-3%	-2%

Programming Statistics, 2009-2010:

Location	Programs	Attendance	Volunteers
Rural Branches	2677	20873	1182
Summerside	485	1747	0
Charlottetown	561	10283	26
French Services	954	10142	284
Total	4277	44777	1492

Technical and Support Services Overview

In April 2010, an informal request for information led the Public Library Service to begin ordering a considerable portion of its print materials from the Library Services Centre in Kitchener, Ontario. In the past year Library Services Centre has since provided the Public Library Service with a competitive discount, shorter turnaround time for orders, and more attentive customer service.

Throughout the year, Technical Services remained busy with ordering, cataloguing, and processing. In total over 55,000 items were catalogued and made shelf-ready for school and public libraries across Prince Edward Island.

Heritage Section

Provincial Heritage Fair Program

The Provincial Heritage Fair was held at the Confederation Centre of the Arts on 14 May 2010, with 220 students representing 32 schools and 1 homeschool association and more than 150 volunteers participating. Close to 2,200 students participated in school-based heritage fairs leading up to the Provincial Fair. Following project judging at the Provincial Fair, afternoon workshops were provided for students on a variety of subjects: Artifact Identification, Mi'kmaq Spirituality and Heritage, and Music and Storytelling. Tours and associated activities were also provided of Province House National Historical Site, and the Confederation Centre Art Gallery which included the Arts Smarts student exhibitions. The top fifteen student projects were recognized during the Closing Ceremonies. Certificates and awards were presented for outstanding student achievement. Her Honour, Lieutenant Governor Barbara A. Hagerman addressed the students during the Closing Ceremonies, as did the Minister Responsible for Culture and Heritage, and Charlottetown Deputy Mayor, Stu MacFayden. The Ministers Responsible for Culture and Heritage, and Education and Early Childhood Development, and the Executive Director of the PEI Museum and Heritage Foundation also participated in presenting student awards and certificates. The 2010 Provincial Fair saw an increase in community organization-sponsored prizes for outstanding theme-related projects. Twenty-six local community groups and organizations presented 37 prizes to students. Community support for this cultural and educational event continues to grow.

The Provincial Heritage Fair Coordinator as well as a number of the Planning Committee members assisted in judging at various school heritage fairs from February through

April. The Planning Committee consists of representatives from the Division of Culture and Heritage, the Department of Education and Early Childhood Development and the PEI Museum and Heritage Foundation. A Nova Scotia Community College Public Relations student completed a one month internship with the Division as part of program requirements. The intern assisted with the planning, delivery and follow-up of the Provincial Fair.

A number of local and national sponsors support the Provincial Heritage Fair including: The Department of Education and Early Childhood Development, the Confederation Centre of the Arts, the Canadian Council of Archives, Canada's History Society, Purity Dairy, Parks Canada Agency, PEI Museum and Heritage Foundation, Indian River Festival, and Tourism Charlottetown.

With the merging of the Historica Foundation with the Dominion Institute, to form the Historica-Dominion Institute, coordination and funding support from this organization for the Heritage Fair program ceased. National coordination for the Heritage Fair program was provided by Canada's History Society, however, funding was not available to provide a National Fair.

Heritage Places Program

Heritage Places Initiative Indicators

Activity	2010-2011	2009-2010	2008-2009	2007-2008
Meetings of the Heritage Places Advisory Board	5	5	7	3
Nominations received	4	104	43	107
Historic Places Registered	56	64	119	30
Historic Places Designated	4	4	3	2
Additions to PEI Register of Heritage Places and Canadian Register of Heritage Places	14	77	179	61
Site visits peihistoricplaces.ca	8,393	11,834	6,296	1,207
Page views peihistoricplaces.ca	38,302	38,235	22,683	6,757

Arnold Smith was re-appointed for a three year term as Chair of the five-member Heritage Places Advisory Board. The Board continued to review PEI Register of Heritage Places applications completed as part of the federal-provincial-territorial Historic Places Initiative, a five year program which ended in 2010. The applications include places identified to be of historical importance in the areas of commercial, tourism, agricultural, fisheries, social, educational and architectural history of the province.

Statements of significance and photographs for each recognized property were added to the provincial heritage places website www.peihistoricplaces.ca and the national historic places website www.historicplaces.ca. Certificates were also prepared by Communications PEI.

A number of properties registered as heritage places under the Heritage Places Protection Act were recognized during ceremonies throughout the year. Heritage Place Registration certificates were presented to the owners or caretakers by local Members of the Legislative Assembly, the Chair of the Heritage Places Advisory Board, or Division staff. These properties included: St. John the Baptist Roman Catholic Church, Miscouche; St. Patrick's Roman Catholic Church, Grand River; River Crest Barn, Clyde River: Lauchlin Morrison House, South Pinette; Jeffery Homestead, Alma; Blanchard Cottage, Fortune; Victoria Rose Farmstead in Victoria, St. Mary's Acadian School in St. Ann, and St. Martin of Tours Roman Catholic Church in Cumberland.

Heritage Incentive Program – Two provincially designated heritage places accessed funding under the Heritage Incentive Program, a cost-shared grant program for pre-approved work in keeping with the Standards and Guidelines for the Conservation of Historic Places in Canada. Owners of 6 Howard Street in Victoria undertook roof work. Princetown United Church in Malpeque underwent significant foundation stabilization work to this circa 1869 structure to ensure its preservation.

Heritage Permit applications were received regarding two designated properties. The former Tignish Post Office building underwent extensive rehabilitation including building access improvements such as improved entry ways and an addition to house an elevator, as well as interior renovations. Issues surrounding access and use of a section of the Old Princetown Road were also reviewed.

An information guide for the general public and heritage property owners regarding the Provincial Heritage Places Recognition Program was produced and designed with the assistance of a Nova Scotia Community College intern.

The second, and updated, edition of the Standards and guidelines for the conservation of historic places in Canada was issued by Parks Canada Agency. The Division contributed photographs for the publication. This is the standard adopted by the province and the cities of Charlottetown and Summerside. Copies were distributed to municipalities, property owners and other interested parties.

The Heritage Officer continues to meet and consult with property owners on aspects of the Heritage Places Recognition Program and conservation issues as well as responding to telephone and email inquiries on general heritage issues.

A detailed Historic Structure report was commissioned and completed for the designated Bayfield Jaynes Property in Stratford.

The Director and the Heritage Officer met with the Victoria municipal council regarding the possible development of heritage conservation districts.

The Section provided a work placement for a UPEI Applied Public History student. The student received training in the Provincial Heritage Places Recognition Program and completed several draft Statements of Significance for recognized heritage properties, and conducted research for PEI Register of Heritage Places applications.

Presentations were made by the Heritage Officer regarding the Heritage Places Recognition Program to employees of the Island Narratives project and the KenNet group researching Kensington heritage homes.

The Heritage Officer participated in teleconference meetings of the provincial-territorial and national Registrars regarding the revamped Canadian Register of Historic Places website www.historicplaces.ca and progress updates in the regions and national office.

The Heritage Officer attended Heritage Week events held by the City of Charlottetown and the PEI Museum and Heritage Foundation where property owners were recognized for their contributions and efforts in the preservation and conservation of heritage properties.

Culture Section

The Culture and Heritage section focuses on the promotion of the arts and the cultural industries. Programs include the Community Cultural Partnership Program (CCPP), the Programme de partenariat culturel communautaire (PPCC) and providing support to a number of organizations and cultural venues including the Prince Edward Island Council of the Arts, regional arts councils, the Community Museums Association of Prince Edward Island, six school/communities centres, and other cultural entities.

Culture Program Highlights:

- The Community Cultural Partnership Program provides support to not-for-profit community-based organizations for cultural and heritage activities supported 24 projects in the Anglophone program and 13 projects in the Francophone program. In 2010-2011 our Division brought changes to this program by the harmonization of both the French PPCC and the Anglophone CCPP program.
- For the 2010-2011 year, new guidelines, a common adjudication process and a new evaluation grid were developed to harmonize the two programs.
- In 2010-2011 the Division of Culture, Heritage and Libraries became involved with the Culture Days, this annual event highlights the contribution that culture makes to our community. The event celebrated all aspects of culture. Culture Days 2010 was organized by the PEI Council of the Arts with financial assistance from the Division of Culture, Heritage and Libraries to fund the Culture Days activities.
- The P.E.I. Council of the Arts supported 15 applications for projects in music, visual arts, film, writing, craft under a grant program administered by the council on behalf of the Department of Tourism and Culture.
- Four projects received funding through the Programme de coopération et d'éhanges entre le Québec et l'Île-du-Prince-Édouard.
- Four regional arts councils across Prince Edward Island were supported with operational funds and community arts grants.
- Funding was provided for a community forum which was held in May 2010. This forum provided a platform for the Acadian and Francophone communities to work together towards a common vision and mission which will define the fundamental role of the Centres scolaires communautaires.
- Under the Canada/P.E.I. Agreement on the French Language Services, special funding was allocated to six projects amongst these Jeunesse acadienne offered 18 training

sessions in French in various disciplines for the 102 participants of les Jeux de la Francophonie Canadienne and to la Fédération culturelle de l'Î.-P.-É. to provide francophone service delivery to arms length organizations on behalf of the Division of Culture, Heritage and Libraries.

- Under the Canada/P.E.I. Agreement on the French Language Services, funding was provided to six school/community centres in Charlottetown, Evangeline, Summerside, Rustico, Souris and DeBlois.
- Funding was provided to the Atlantic Presenters Association to assist in the hosting of the 2011 Contact East edition in Summerside, Prince Edward Island.
- Assistance and funding and was provided to the Prince Edward Island Seniors Citizens' Federation to continue the successful LEAP Program. In 2010-2011 the PEISCF funded 21 LEAP projects.
- Music P.E.I. held its annual award ceremony at the Confederation Centre of the Arts in January 2011, during Music PEI Week, 26 awards were presented. Music P.E.I. funded 37 artists/groups through a grant program administered by Music PEI on behalf of the Department of Tourism and Culture.
- The Province of Prince Edward Island presented the PEI Book Awards in November 2010. Three awards were presented to island authors under the following categories, poetry, fiction and non-fiction.
- Funding was allocated to the ECMA 2011 to integrate the Festival of Small Halls into the 2011 programming which took place on Prince Edward Island.
- Funding was allocated to the City of Charlottetown for the 2011 Cultural Capitals of Canada Program.
- Funding was provided to la Fédération culturelle de l'Î.-P.-É. to continue their work with Music PEI to incorporate a multi cultural activity during Music Week in January.
- The 2010-2011 year marked the sixth year for the ArtsSmarts PEI program, with funding contributions from both the Department of Tourism and Culture and the Department of Education and Early Childhood Development. In the fiscal year, funding was provided to seven projects throughout Prince Edward Island with 301 students, 7 artists and 9 teachers participating in the program.

Public Archives and Records Office (PARO)

The Public Archives and Records Office (PARO) operates under the authority of the *Archives and Records Act* (SPEI 2001, cap.28). It is comprised of the Public Archives unit and the Recorded Information Management (RIM) unit. The Public Archives unit acquires, preserves, and provides access for researchers to the records of the Prince Edward Island government as well as private-sector papers and records deemed to be of lasting historical value. The RIM unit is responsible for the development of policies, standards, procedures and services for effective recorded information management throughout government.

Public Archives Program

Public Service

The fiscal year 2010-2011 saw the number of onsite visitors decrease slightly to 3699. The demographic breakdown of our researchers also remained essentially the same as 2009-2010 with 89.9 % of research visits by Canadians (more than 88 % of whom were from P.E.I.), a slight increase in Americans at 9.7 %, with the remaining .5 % residents of countries such as the United Kingdom, the Netherlands, and Australia. Attendance again remained fairly constant throughout the year.

The number of inquiries received by the Public Archives continued to rise in 2010-2011 to 1001, an increase of 1.6%. The vast majority of these inquiries continue to come in through email. The number of requests specifically for the Vital Statistics records which were transferred to PARO in 2008-2009 has levelled off as more of the records are now accessible on microfilm in the Reading Room. PARO staff members have completed the microfilming of Vital Statistics Death Records so that, at the present time, all death records from 1906 To 1957 are readily available to the public. The public demand for digital images continues to dominate photo requests at 84 % of all orders. In addition to providing patrons with already scanned images, PARO created 191 new digital images during the 2010-2011 fiscal year. The number of reels of microfilm produced continues to be high due to work on the Vital Statistics death records which must be filmed in order to provide user access. In total 39 reels of microfilm were shot which is an increase of 77 % over last year. The number of photocopies and microfilm prints ptoduced for patrons increased in 2010 by 24 % to 13,065.

A highlight for PARO in the past year was the release in May 2010 of the Panel Research: Historic Sites, Museums and Galleries report by the Tourism Research Centre at the University of Prince Edward Island. The report indicated that, based on a survey of visitors to Prince Edward Island in 2009, the Public Archives and Records Office was ranked number one, with a score of 6.13 out of 7, in quality of service among the institutions in Charlottetown and PEI as a whole

2010-2011 marked the first full year for PARO's new website which was launched in March 2010. Feedback about its design and visual presence has been positive. With over 1,000,000 page views during the year, the statistics indicate that our patrons look to the Internet as a means to accessing archival material. To satisfy this demand, PARO will continue to add archival content to the website. This year's project was the launch of a new online exhibit, Seafaring and Travel in Early 20th Century Prince Edward Island which was based on a collection of sketches by Helen Rosa Lossing Johnson, an American artist who visited Prince Edward Island during the years 1895 to 1925. These sketches, drawn in 1912, depict a typical sea voyage by steamship between Boston and Prince Edward Island. Also in keeping with the desire to provide further access to important historic records of the province, PARO has entered into a partnership with UPEI's Robertson Library, the Office of the Clerk of the Legislative Assembly, and the Provincial Library Services to undertake the digitization of the records of the Legislative Assembly. This initiative is intended to be long-term, encompassing records dating back to the early 19th century. Work has begun on the Journals of the House.

Provincial Archives and Records Office — Activities 2010-2011

Activity	Frequency
Research visits	3,699
Inquiries - includes email, mail, phone, fax, and requests from Vital Statistics Services	1,001
Photos reproduced, including digital scans	360
Reels of microfilm produced	39
Pages of documents copied for researchers	13,065
Web page views (In February 2010, PARO's web content was transferred from the former Communities, Cultural Affairs, and Labor website to its own site. This figure represents the first set of statistics from the new site for a complete fiscal year.)	1,073,047

Holdings Management

Additions to the holdings of private donations increased during 2010-2011, with the acquisition of 31 new collections as well as 45 additions to existing collections. The new materials received include: records of the Greater Charlottetown Area Chamber of Commerce; a collection of ca. 191 blueprints from the Federal Department of Public Works; records of the PEI Rose Society; 10 scrapbooks of the Beta Sigma Phi Sorority chapters in Charlottetown; and a large collection of personal correspondence, diaries, and photographs of the Palmer and Haslam families.

PARO received additions to government record groups which include: 6 volumes of the Hansard; PEI Statute books dating 1773-1852; and 21 annual reports for the PEI Environmental Advisory Council dating 1987-2008. PARO also received several additions to RG 39: School Units which include school registers and/or trustees books for Avonlea, Kingston, and Wood Islands East.

PARO's commitment to providing exemplary public service, as is evidenced in the review in the above-mentioned Tourism Research Centre report, continues to limit staff time available for arranging, describing and physically preparing newly acquired archival material for use by the public. As there are no existing funding streams for arrangement and description, it is unlikely that this situation will change in the near future. However, the creation of an additional archivist position in the previous physical year is easing some of the back-log particularly of government records which have been transferred to PARO from the departments through the Recorded Information Management Program.

Preservation

PARO continues to rely on the services of the Archives and Preservation Advisor (APA), an employee of the Archives Council of Prince Edward Island. The APA continues to assist PARO staff in reviving PARO's Disaster Preparedness Plan. Work on this process is ongoing and ties in with the Province's focus on Business Continuity Planning. The APA continued to help PARO with the reorganization of collections storage to provide optimal

storage conditions, created customized enclosures for archival documents, and rehoused 4,900 archival items including photographs, Vital Statics Death Records, and microfilm. The APA also completed conservation treatment on 9 PARO objects.

Outreach

Outreach activities included providing approximately 5 tours of the Public Archives for such groups as a youth at risk group, a community history project, and the Senior's College genealogy class with 48 attendees in total. PARO hosted the annual meeting of the Prince Edward Island Genealogical Society and provided a behind-the-scenes tour of the Archives. Public lectures and presentation provided by PARO staff throughout the year included: a genealogical presentation at Green Gables Historic House; a presentation on the use of archives for researchers of the CAP Sites' Island Narratives Program; a presentation to the UPEI Public History class; and in partnership with the University Archivist, a hands-on archival workshop for UPEI History students. Staff continued to serve on the executive of the Archives Council of PEI, respond to inquiries from the PEI archival community, and participate in the judging of Heritage Fair submissions. As in previous years, PARO continued to provide support and training for an UPEI Public History Student who was responsible for mounting a new display, entitled *Seafaring and Travel in Early 20th Century Prince Edward Island*, for the lobby and which has also been made available on the PARO website.

Recorded Information Management (RIM) Program

Records Retention and Disposition Schedules

The major focus of the RIM program is the development of records retention and disposition schedules which are the primary tools used in identifying and defining government records and in determining how long each type of record must be retained to meet administrative, fiscal and legal requirements. Under the guidance of PARO staff, these schedules are created by the individual departments and approved by the Public Records Committee, the structure and authority of which are defined by the Archives and Records Act. The Public Records Committee met once during the year and approved 46 schedules for seven departments.

Training

The success of the RIM program depends on the ability of Provincial government staff to understand the importance of and implement the approved retention and disposition schedules as well as departmental file classification systems. To that end, PARO staff provide training and support to both regular government employees and departmental Records Management Liaison Officers (RMLOs), individuals assigned by each department to act as liaison with PARO staff in order to communicate policy, procedures and standards for RIM throughout government. Twenty-five participants attended the three-day RIM Training course offered in April 2010. Two "Introduction to RIM" presentations were made to the government one-year and six-month interns.

The RMLO Network Group, which was created to bring together the RMLOs to share their experiences and knowledge as well as to work together to resolve problems, met three times throughout the year in May, September, and March.

PARO staff also collaborated with other government and non-governmental bodies in order to provide records management training. The Provincial Records Manager teamed up with the Privacy Commissioner to provide training to the FOIP coordinators as part of the Right to Know Week Information sessions. In conjunction with ARMA PEI Chapter, PARA staff arranged for four guest speakers to conduct a one day training session on "Protecting of Records and Information." Fifty-eight government employees attended the seminar.

Provincial Records Centre

The Provincial Records Centre provides free and secure off-site records storage and retrieval services to all government departments and agencies. This service allows departments to free up valuable office space by moving inactive records to an offsite storage facility while still maintaining ownership and management of the records. The Records Centre holds the records until their retention time is complete and then disposes of the records according to their legally approved disposition (destruction or transferral to the care and control of the Public Archives). On 28 March 2011, the Provincial Records Centre reached capacity and was closed to incoming shipments. The PARO staff is working with the Department of Transportation & Infrastructure Renewal to find resources to expand and renovate the Records Centre.

Provincial Records Centre Statistics, in linear feet – 2005-2006 to 2009-2010

Activity	2010-2011	2009-2010	2008-2009	2007-2008	2006-2007
Records destroyed with authority by departments	3,625	3,956	3,779	3,467	3,383
File/box retrievals	1,331	1,143	1,110	1,171	1,135
Files refilled	1,024	1,010	875	682	621
Volume in storage	14,717	12,582	8,699	9,011	7,894
Incoming government records	2,595	2,483	4,448	378	1,719
Records destroyed	(320)	(333)	(559)	(685)	(582)
Records archived	(113)	(15)	0	0	(1)
Records returned to departments	(21)	(35)	(6)	(5)	(19)
Total volume records	16,879	14,717	12,582	8,699	9,011

Electronic Content Management System

PARO staff continued to work with IT Shared Services towards the development and implementation of a government-wide Electronic Content Management System (ECMS) pilot project. After much consultation and research, a system was decided upon but funding could not be obtained. PARO staff will remain on the ECMS Steering Committee to assist any departments which decide to move forward on an individual basis. PARO staff have also been working with ITSS in the deployment of an Archive Email system. Meetings have been held to work out a plan of action. PARO Staff will be included in the pilot project to test the system and gain knowledge of the application before the government-wide deployment.

Tobacco Litigation — Legal Hold

PARO staff members have been working with staff of the Department of Justice and Public Safety to develop a strategy to pursue litigation under the Tobacco Damages and Health Care Costs Recovery Act. A temporary "Legal Hold" on the destruction of records has been placed on five departments as the government evaluates its intent on whether or not to proceed with litigation against the big Tobacco companies. As a result of the halt in destruction of records, the Records Centre was forced to close due to lack of space in March 2011. Plans are underway to expand the existing space or renovate a new location in the 2011-2012 fiscal year.

Social Media

Government departments are increasingly using the internet in the course of their work and many departments have created Facebook and Twitter accounts to reach out to their clients. In response to this change in government activity, PARO has been working with the Communications staff of the Department of Finance & Municipal Affairs to develop a government-wide policy on the use of Social Media that ties into the government RIM Policy.

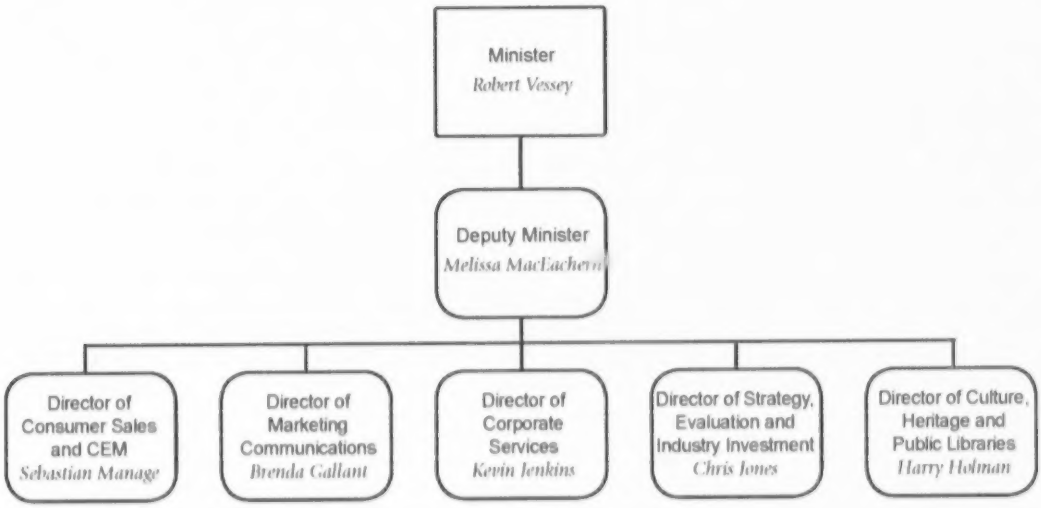
Business Continuity Management

The provincial Office of Public Safety is coordinating Business Continuity Management (BCM) Planning across the departments, agencies, boards and commissions of the provincial government. As records management has been recognized as one of the four major corporate functions in the planning process, PARO staff members have joined the BCM Corporate Planning Committee.

Appendix A

Departmental Organization Chart

Departmental Organization Chart, As of March 31, 2011



Appendix B

Legislative Responsibilities, Boards, And Commissions

Acts

Archives and Records Act

Fathers of Confederation Buildings Act

Heritage Places Protection Act

Highway Signage Act

Lucy Maud Montgomery Foundation Act

Museum Act

National Park Act

Public Libraries Act

Recreation Development Act

Tourism Industry Act

Tourism PEI Act

Trails Act

Boards/Commissions/Agencies

PEI Liquor Commission

Tourism Advisory Council

Tourism PEI Board

Tourism Arbitration Board

Appendix C

Financial Statements

Tourism PEI

Financial Statements
March 31, 2011

ArsenaultBestCameronEllis
CHARTERED ACCOUNTANTS

ArsenaultBestCameronEllis
CHARTERED ACCOUNTANTS

A Member Firm of The AC Group of Independent Accounting Firms Limited

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June 22, 2011

Auditor's Report

To the Minister of Tourism

We have audited the accompanying financial statements of **Tourism PEI**, which comprise the balance sheet as at March 31, 2011, and the statements of earnings and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements
Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian generally accepted accounting principles, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained in our audit is sufficient and appropriate to provide a basis for our audit opinion.

Opinion
In our opinion, the financial statements present fairly, in all material respects, the financial position of **Tourism PEI** as at March 31, 2011, and the results of its operations and its cash flows for the year in accordance with Canadian generally accepted accounting principles.

ArsenaultBestCameronEllis

Chartered Accountants

Tourism PEI

Balance Sheet

As at March 31, 2011

	2011 $	2010 $
Assets		
Current assets		
Cash	79,151	1,125,714
Accounts receivable (note 4)	1,144,654	1,979,336
Prepaid expenses	48,515	12,512
Inventory	122,124	104,336
Due from the Province of Prince Edward Island (note 3)	487,991	-
	1,882,435	3,221,898
Property and equipment (note 2)	1	1
	1,882,436	3,221,899
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities (note 4)	1,882,436	2,855,272
Due to the Province of Prince Edward Island (note 3)	-	366,627
	1,882,436	3,221,899

Approved by the Corporation

_____ Minister

Tourism PEI

Statement of Earnings

For the year ended March 31, 2011

	2011 Budget (unaudited) $	2011 Actual $	2010 Actual $
Revenue			
Grants from Province of Prince Edward Island	16,713,900	17,223,792	18,232,253
Marketing	1,167,000	1,122,844	1,159,775
Visitor Services	105,000	151,532	85,479
Brookvale Ski Park	300,000	423,563	399,808
Park Operations	900,000	1,088,238	936,321
Golf Operations	5,045,400	4,162,851	4,582,891
Book PEI	-	41,150	-
	24,231,300	24,213,970	25,396,527
Expenses			
Corporate Management	-	-	575,103
Finance and Administration	912,700	872,201	825,553
Parks Administration	400,800	397,661	378,289
Park Operations	2,858,400	2,952,786	2,767,173
Brookvale	634,800	693,694	643,530
Golf Operations	5,698,100	4,971,586	5,866,252
Strategy and Evaluation	837,800	709,547	767,914
Industry Investment	2,805,000	3,135,439	3,690,296
Regulation and Compliance	212,800	221,356	203,252
French Services	253,900	254,983	253,620
Business Development	882,000	1,110,819	1,054,012
Visitor Services	701,100	728,333	698,150
Marketing	5,717,000	5,820,649	5,651,111
Media Relations/Editorial	360,200	303,575	341,640
Fulfillment	774,300	918,732	659,701
Publications	663,100	703,962	633,585
Travel/Trade Sales	519,300	418,647	387,346
	24,231,300	24,213,970	25,396,527
Excess revenue for the year	-	-	-

Tourism PEI

Statement of Cash Flows

For the year ended March 31, 2011

	2011 $	2010 $
Cash provided by (used in)		
Operating activities		
Excess revenue for the year	-	-
Net change in non-cash working capital items		
Decrease (increase) in accounts receivable	834,682	(1,053,029)
Decrease (increase) in due from the Province of Prince Edward Island	(487,991)	1,770,323
Decrease (increase) in inventory	(17,788)	23,096
Decrease (increase) in prepaid expenses	(36,003)	47,018
Increase (decrease) in accounts payable and accrued liabilities	(972,836)	275,502
Decrease in due to the Province of Prince Edward Island	(366,627)	(834,657)
	(1,046,563)	228,253
Investing activity		
Decrease in investment in subsidiary company	-	100
Net change in cash	(1,046,563)	228,353
Cash - Beginning of year	1,125,714	897,361
Cash - End of year	79,151	1,125,714

1 Status of the corporation

Tourism PEI became a Crown corporation effective March 31, 1999 under the Tourism PEI Act passed by the Government of Prince Edward Island on June 8, 1999. The objectives of Tourism PEI are to carry out tourism related activities of the Province of Prince Edward Island.

The financial results of the corporation are included in the public accounts of the Province of Prince Edward Island.

2 Summary of significant accounting policies

The financial statements of the corporation have been prepared in accordance with Canadian generally accepted accounting principles. The following is a summary of significant accounting policies used in the preparation of these statements.

Due from the Province of Prince Edward Island

Current operations:

Excess revenue (expenses) for the year for Tourism PEI is recorded as a reduction (increase) in Grants from Province of Prince Edward Island and as an amount due to (from) the Province of Prince Edward Island.

Property and equipment

Real property transferred to the corporation at no cost is recorded at a nominal value of $1.

Inventory

Inventory is valued at the lower of cost, determined using the average cost method, and market. Market is defined as net realizable value.

Revenue recognition and government assistance

Grants from the Province of Prince Edward Island are recorded as revenue when received. Revenue from marketing activities is recorded when billed and revenue from park operations, services and fees is recorded when earned as services are provided. Excess revenue (expenses) for the year is recorded as a reduction (increase) in Grants from Province of Prince Edward Island and as an amount due from (to) the Province of Prince Edward Island.

Revenue from green fees, golf shop, rentals and concessions is recognized when goods or services are delivered to the customer and ultimate collection is reasonably assured. Revenue from memberships is recognized in the period earned and when ultimate collection is reasonably assured.

Expenses are recorded in the period in which the related goods and services are consumed except for certain marketing related expenditures that are recorded in the period the goods and services are acquired and a liability incurred and program grant expenditures that are recorded in the period in which the funds are approved for disbursement and a corresponding liability incurred.

Other revenue items are recognized when goods or services are delivered to the customer and ultimate collection is reasonably assured.

Vacation pay and pension liabilities

The staff of Tourism PEI are employees of the Province of Prince Edward Island. Direct costs for employees of the Province of Prince Edward Island allocated to Tourism PEI are charged to the company on a per-payroll basis. Since the staff are employees of the Province, accrued vacation pay and pension obligations are liabilities of the Province and not the corporation and no liability for these costs has been accrued by the corporation as at March 31, 2011.

Management estimates

The presentation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reported period. Actual amounts could differ.

Financial instruments

Financial instruments are comprised of cash, accounts receivable, accounts payable and accrued liabilities and due from/to the Province of Prince Edward Island. Due to their short-term nature, all financial instruments are considered to be carried at amounts which approximate their fair value.

Financial risk management objectives and policies

Tourism PEI's risk management policies are part of the overall management of the corporation's operations. Management's direct involvement in day-to-day operations identifies risks and variations from expectations leading to changes in risk management activities, requirements and actions. Management has not entered into hedging transactions to manage risk. As part of the overall management of the corporation's operations management considers avoidance of undue concentrations of risk, and employs appropriate investment and credit management policies to manage Tourism PEI's exposure.

3 Due from (to) the Province of Prince Edward Island

	2011 $	2010 $
Current operations		
Excess expenditures (revenue) for the year - Tourism PEI	487,991	(366,627)

4 Related party transactions

During the year, the corporation utilized office premises from a Department of the Province of Prince Edward Island for nil consideration.

Tourism PEI utilizes the provincial parks, including Brookvale Ski Park, the provincial day parks and the full service campgrounds, as well as the Visitor Information Centres in carrying out its mandate. Tourism PEI pays nil consideration for utilizing these facilities.

The corporation utilizes the provincial golf courses from the Province of Prince Edward Island for nil consideration.

Included in accounts receivable is $70,507 (2010 - nil) due from departments of the Province of Prince Edward Island, $25,282 (2010 - nil) due from provincial Crown corporations and nil (2010 - $1,191,784) due from the Province of Prince Edward Island. Included in accounts payable and accrued liabilities is an amount of $1,482 (2010 - $55,153) due to departments of the Province of Prince Edward Island, $2,108 (2010 - $36,145) due to a provincial Crown corporation, and $32,978 (2010 - $3,157) due to a subsidiary of a Crown corporation.

5 Commitments

The minimum annual lease payment required over the next five years under operating leases for base rentals including premises in Mill River expiring in August 2075 and for an equipment lease expiring in November 2011 are as follows:

	Equipment $	Premises $
Year ending March 31, 2012	96,342	1
2013	-	1
2014	-	1
2015	-	1
2016	-	1

In addition to the base lease premises rental, there is a requirement to pay the corporation's pro rata share, based on rental space, of the operating costs, including property taxes, of the premises.